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OSDBU UPDATE

Notes from Scott

In this issue, you will learn about a significant change in our office. Our feature article is the reorganization of OSDBU resources to better serve our VA and business sector customers. We undertook this change after long and careful deliberation. During our discussions, many of you offered excellent ideas for how we could improve support to you. Thanks to your frankness, we also learned some painful lessons about customer perception of some of our actions. We believe the new OSDBU offers a greater variety of pro-active services. We are now in a position to provide enhanced market research assistance to help you improve your small business program and goals.

Other articles this month highlight our on-going efforts in support of the recently enacted Historically Underutilized Business (HUB) Zone Empowerment Contracting Program and the roll-out of the Veterans Entrepreneurship and Small Business Development Act.

I'd like to offer a special thank you to the following individuals who responded to our data call on behalf of the Senate Committee on Small Business:

Robert Auffrey
VHA VISN 18, Amarillo, TX
Denise Boren
VHA VISN 19, Grand Junction, CO
Marilyn Clayburn
VHA VISN 17, Dallas TX
Connie Forge
VHA VISN 15, Leavenworth, KS

Linda Glancy

VHA VISN 4, Pittsburgh, PA

Jerry Hayden

VHA VISN 4, Wilkes Barre, PA

Ford Heard

Office of Acquisition and Materiel

Management

Bonnie Holloway

VHA VISN 19, Grand Junction, CO

Mike Hughey

VHA, VISN 9, Huntington, WV

Robert Jansheski

VHA VISN 11, Battle Creek, MI

James Jackson

National Cemetery Administration

Brenda Jenkins

VAHQ, VHA Nutrition and Food

Service

David Kekel

VHA VISN 6, Beckley, WV

Kathy Kilgore

Austin Automation Center, FPDS

Computer Programmer

Sandra Knapp

VHA VISN 22, Long Beach, CA

Linda Luegge

VHA VISN 19, Sheridan, WY

Charlie Likel

VAHQ, Office of Congressional

Affairs

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Carol Mease-Burchill

VHA VISN 4, Lebanon, PA

Carol Murphy

VHA VISN 13, Minneapolis, MN

Gayle Reeves

VHA VISN 9, Murfreesboro, TN

Connie Rotella

VHA VISN 2, Syracuse, NY

Suzanne Rybczyk

VHA VISN 1, White River Junction,

VT

Ed Sepulveda

VHA VISN 17, San Antonio, TX

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Jan Severs
VHA VISN 13, Minneapolis, MN
Cojean Sprouse
VHA VISN 17, Dallas TX
Lupe Ybarra
VHA VISN 18, Big Spring, TX

The Committee sought a considerable amount of data from each agency participating in the HUB Program. Due to a pressing legislative calendar, the agencies had an extremely limited time frame in which to collect the raw data from the contracting officers, analyze it and respond to the Committee. This example of VA's professionalism makes me proud to count myself in one of Federal Government's most outstanding customer-focused organizations.

Providing front-line service is one of the most important aspects of our jobs. Getting out of our offices and into the community is vital if we are to be successful in supporting VA's diverse small businesses. We need to reach out to very small businesses, emerging small businesses, HUB Zone firms, veterans, service disabled veterans, women, disadvantaged businesses, small and large businesses. Attending small business trade shows and conferences and providing conference participants individualized counseling sends a message that VA actively seeks new business partners. I'm pleased to acknowledge the service of the following individuals, and also want to refer you to the HUB Zone article for additional recognition:

Network Business Center, Long
Beach: Ron Ferrer, Lakisha
Johnson, and Aaron Villalpando
staffed the vendor counseling table at
this year's NASA/JPL High
Technology Small Business

Conference. They all did a wonderful job. Congratulations Aaron on completing your first business conference since joining the NBC.

VISN 4 Stars and Stripes Network:

Michael Miller, the Network's CLO, once again committed his staff's resources and time to support the Regional Minority Supplier
Development Council's 24th Annual Small Business Opportunities Fair in Pittsburgh. Attending with Michael were Neal Delaney and Ed Regan of the Pittsburgh VA facilities; Sharon Lesczcyski and Stephen Harding of Butler.

If you are invited to attend a conference, please let us know. OSDBU can provide you with vendor counseling materials and table items. However, the most important aspect in conference support is you - just being there is what vendors remember most.

Scott F. Denniston, Director

Changes They Are A Comin'

By Jim Dunning



Those of you who have visited the VA Home Page (www.va.gov) have noticed the new look to the page design. And as the old saying goes "Web redesign rolls down hill." OA&MM has also redesigned their home page. The tack taken by the two efforts reflect two major thrusts

in web design, use of graphics to make a visually appealing page or a decreased emphasis on graphics to speed loading of images. We're not far behind in the desire to update and modernize. Since you are our major internal customers we'd like feedback from you on what you want made available on our site.

I've been contemplating some of the changes I'll make and I'd like to share them with you.

Performance - as soon as we get FPDS socioeconomic figures we'll put the spreadsheets on the site available for you to download and review. This should give you more time to make sure you're getting credit for the procurements you've made instead of madly rushing at the last minute trying to figure what happened to that big HUBZone award you made.

Publications - posting all of the publications that we use in counseling vendors and contracting personnel. This includes slide presentations, handbooks, fact sheets, brochures, booklets, etc. With the increased reliance on self marketing in the small business programs you will be getting even more small businesses calling on you to market their firms capabilities, products, and services. A lot of these materials have been written to address the myriad questions we receive daily from vendors and the general public.

We've just reorganized our office along business lines and specialties (just like a lot of you). I'd like to have a section explaining our reorganization and who in our office will now be handling which matters so you'll know who to contact when you need help.

These are just of few of the ideas being batted around on changes we'd like to make. I need ideas from you on what you'd like to see on our site and what would be helpful to you. I'd also like to hear from you if you've discovered another website that has a pleasing or particularly effective design, or that you think we should provide a link to. Speaking of links, would you like a section of links to other sites? If so what kind of sites, or particular sites, would you like included? Any ideas you have will be appreciated and considered. Just e-mail me at jim.dunning@mail.va.gov



VA OSDBU Reorganization

By Ilene Waggoner

The Office of Small and Disadvantaged Business Utilization welcomes Christine Bosworth as the newest member of our staff. Christine comes to us from the National Cemetery Administration. Because of the new addition to our staff the Director of OSDBU has taken this opportunity to reorganize the staff responsibilities of our office, alining the staff into three teams. The teams consist of the Acquisition Team, the Outreach Team and the Policy and Data Analysis Team. The Acquisition Team will be responsible for support of the contracting activities, planning support (which will include Advance Procurement

Plans and Forecasting), document support (2268s, solicitation reviews, etc.), CBD analysis and market research. The Partnering Plans, Prime Vendor, Standardization, and National Programs Support will all be administered by the Acquisition Team.

The Acquisition team will be the point of contact for any questions or problems by the stations excluding FPDS questions. The VISN breakdown of responsibilities are:

Ramsey Alexander, Jr.: 1,3,6,9,18,20,21,22, and OFM

Lynette Simmons: 2,4,5,7,8,10,11, and 03, NCA, VBA

Deborah VanDover 12,13,14,15,16,17,19, and OA&MM, NAC, DDC, HAC, AAC

Jim Dunning, Chris Bosworth, and Ilene Waggoner of the Outreach Team will be responsible for electronic outreach, the VA subcontracting program and outreach to veteran and small business entities and state and local governments.

OSDBU will be taking a more aggressive role in the monitoring of subcontract reporting.

Inez Proctor and Lisa Russell of the Policy and Data Analysis team will be responsible for FPDS data and analysis and policy and legislative issues. This team will continue to work with the Austin Automation Center in updating the FPDS system.

It is our hope that the reorganization will allow the members of the staff to better serve the VA procurement offices, and the small businesses and veteran communities.

GOING THE EXTRA MILE

By Lisa Russell



In Fiscal Year 1996, the VA Medical Center in Shreveport faced shortcomings in several categories of the socioeconomic goals. Those categories were the Veteran-owned, Vietnam-owned and disabled Veteran categories. Further, the contracting activity knew that another firm was buying their pharmaceutical prime vendor, a women-owned small business. This would eliminate their woman-owned status, thereby creating a distinct possibility that Shreveport would fail to meet the woman-owned goal as

Facing these issues, the contracting staff and the Chief, Acquisition and Materiel Management Service, sat down and discussed what steps they could take to rectify this situation. They ran listings of frequently used vendors and reviewed their status. Many of the small businesses were classified only as small businesses. The contracting staff decided to discuss the qualifications of these categories with the vendors when they placed orders or by systematically contacting them. What the contracting staff discovered was that many of their vendors did not understand what constituted Veteran, disabled Veteran, or Vietnam Veteran ownership. After an education process and re-coding of the vendor files, Shreveport

started to make progress in these categories.

Along with this process, they contacted the SBA representatives in Louisiana and discussed the available contractors in the area that could support their construction projects and started building relationships with new 8(a) vendors. They also contacted local vendors in the area and encouraged them to bid as well. The contracting staff found a variety of firms that could meet the criteria necessary to meet their goals through a lot of diligent effort. Additionally, they participated in city and state procurement fairs in the area that has fostered support of minority, woman and veteran owned businesses in the Northwest Louisiana area.

The Annual Forecast of Contracting Opportunities submitted by Shreveport is an example of how a team effort in the truest sense of the word can produce an outstanding document. Every member of the contracting staff participates in the preparation of the Forecast. Each uses his or her own personal knowledge of the Medical Center's historical procurements and the using services in order to create a document that sets a standard for excellence. The acquisition staff consists of Mr. Al Negron, Contracting Officer (team leader), Mr. Dennis DeYoung, Contracting Officer, Mr. Foy Walker, Purchasing Agent and Ms. Dolores Theriac, Purchasing Agent. The Secretary of Veterans Affairs has recognized the Overton Brooks VA Medical Center over the past several years for meeting and exceeding a variety of socioeconomic areas. Good fortune, planning and a conscientious effort by the entire contracting staff has helped to build relationships with the small business

partners and enhances Shreveport's opportunity to meet the goals.

Veterans Entrepreneurship Memorandum of Understanding Signed



The Memorandum of Understanding between Veterans Administration, the Small Business Administration, and the Association of Small Business Development Centers was signed by Secretary West on February 15, 2000. The FAR text should be released soon. The goals will take effect in FY 2000 government-wide. A copy of the MOU is attached to this document.

VA Efforts to Promote HUB Zone Program

Here is a recap of what VA's done so far to support the HUB Program. Other efforts not specifically identified include counseling at each of the small business conferences OSDBU staff and local representatives attend. If you have local HUB-specific efforts to add to this list, please let us know. This document serves two purposes - to track VA's support for this new program and also to develop a road map for the agencies who will be

entering the program next year to help them implement the program quickly and easily.

Leadership Support:

Secretary Togo D. West, Jr., addressed the HUB Zone Small Business Program in his March 12, 1999 and January 13, 2000 goal letters to all VA offices.

Director, OSDBU, obtains VA leadership commitment to include Small Business Programs in one of the 5 goals in VA's proposed departmental Strategic Plan. (November 1999)

Director, OSDBU, meets with Senate Small Business Committee staff and other OSDBU Directors to address impact of small business programs - pros and cons (November 1999); Director responds to written inquiry from the Committee in March 2000.

Program Communications:

Employee Newsletter (OSDBU Update) articles in August 1998; October 1998; January 1999. Status article, March 2000.

External Newsletter (OSDBU Beacon) inaugural issue article -Summer 1999

Standard Operating Procedure -Subcontracting Program; coverage released March 1999 as an attachment to the OSDBU Update.

HUB Zone Program Toolkit for Contracting Officers - September 1999, attachment to the OSDBU Update.

Information Letter #00SB-99-1, Reporting of HUB Zone Program, Small Disadvantaged Business and Very Small Business Awards, dated May 13, 1999, distributed to all

contracting activities, heads of contracting activities and VISN Logistics Managers.

Information diskette with HUB Program materials and exercises distributed at VA education meetings and conferences.

Education and Training Support:

VA Employee/Management Conferences: OSDBU provided indepth training to the Heads of Contracting Activities (July 1999); Logistics Officers (July 1999); Contracting Officers' Forums (March, April & June 1999); November 1998); Project Managers and Contracting Officers in the Office of Facilities Management (August 1999); National Acquisition Center Contracting Officers (March 1999); Veterans Health Administration (VHA) Network Directors (May 1999); VHA Veterans Integrated Service Network (VISN) contracting and program personnel VISNs 4, 5, 7, 8, 12, 15, 21, and 22. OSDBU staff travel to the VISNS to provide this training. The VISN provides local support costs for their personnel. VISN 4 utilized satellite call technology to deliver training in that network.

VA Small Business Specialist Orientation Program course and presentation material - March 1999.

Funded tuition for VACO personnel to attend 2-day New Programs
Training sponsored by the Small
Business Administration in
November 1998, which included a module on the HUB Progam. We distributed the course schedule electronically to VA field facilities to encourage local VA attendance at this training program that SBA was conducting across the nation.

Featured Speaker, HUB Zone Program Opportunities Conference, Albuquerque, NM sponsored by the Department of Energy (December 1998);

HUB Zone Program Conference, Detroit, MI; hosted by VA, sponsored by the Mayor's Office (August 1999)

DoD-Sponsored Procurement Technical Assistance Center Conferences and DoD Regional Small Business Council Programs -VA presentations on HUB Program in Biloxi, MS (November 1999); Shreveport, LA (November 1999); Reno, NV (November 1999).

Keynote Speaker on HUB Zone Program at the National Contract Management Association Chapter Meetings in Chicago (March 1999) and Frederick, MD (October 1999).

HUB Zone Program an agenda topic at VA-sponsored Veteran-owned Business Conferences in Cleveland, Columbus and Cincinnati (November 1999)

Director, OSDBU, addresses 1999 Leadership VA Class approximately 100 participants regarding small business programs (November 1999)

Procurement Executive's Council, Small Business Programs Working Group - Pilot Course on Small Business Programs.

VA co-sponsored the White House Community Empowerment Board HUB Zone Conference in Washington, DC (February 8-9, 2000) with other major Federal agencies. We express our appreciation for the outstanding support offered by: Office of Acquisition and Materiel Management

Dave Derr Jeanette Tatum

Arlyce Dubbin Valerie Moody

Kathleen Eastberg

Tyrone Lassiter

Office of General Counsel:

Len Malamud

Office of Administration:

Mel Daley Gloria Jordan

VA Medical Center, Washington, DC:

Joan VanMiddlesworth

Hazel France

Phyllis Jackson

HUB Program Featured Topic at the Federal Facilities Council meeting (March 2000)

Vendor education provided through presentations and informational diskettes distributed at all trade shows and conferences beginning in Fiscal Year 1999. Additionally, OSDBU sponsors monthly VA Vendor Meetings in Washington, DC.

Conference information is supplemented by OSDBU staff through electronic and one-to-one counseling for vendors requesting our assistance. We have begun screening incoming vendor calls to determine if their addresses are in designated HUB Zones and making appropriate referrals for positively identified firms.

Pre-Bid workshops (August-October 1999) for Office of Facilities Management construction projects addressed HUB Zone requirements

and subcontracting program opportunities. OSDBU staff presented the information and provided counseling to vendors. The next Pre-Bid Conference for OFM will be held in April 2000.

Results:

Significant FY 1999 activity:

In July 1999, SBA convened a conference call of all participating agencies. At that time only 2 significant awards of approximately \$2 million each had been made by the Department of Defense. Subsequently, VA's Tucson, Arizona facility has made an award of \$2.3M to Sun Belt Builders, Inc. under full and open competition procedures and a second award to the same firm for \$463K under HUB Zone-8(a) procedures. The Office of Acquisition and Materiel Management also made a significant award to a HUB Zone concern. The award was protested to the General Accounting Office on a matter not related to the HUB Zone status. The protest was upheld. The requirement was recompeted and subsequently awarded to a non-HUB Zone concern.

Other Fiscal Year 1999 accomplishments as manually reported by the facilities:

Big Spring HUB Zone small business set-aside award to Cruz Construction for \$475K

Leavenworth VISN 15 HUB-8(a) award to Henderson Partnership Construction for \$342.5K

Amarillo Full & Open Award to Cruz Construction for \$497, 868.

Roseburg HUB Zone small business set-aside award to Roseburg Paving for \$24.9K

Stations reporting HUB awards in the Under \$25,000 Summary Report include: **Jackson, MS** - 1112 actions for \$2.2M; **New Orleans** - 4 actions for \$117K; **West Palm Beach**, 3 actions for \$67K; **Amarillo**, 2 actions for \$25.6K; and **Sheridan**, 64 actions for \$11.2K.

Fiscal Year 2000 Activity:

VAMC Washington, DC's award to Battles Transportation for patient beneficiary transport services was a featured presentation at the White House Community Empowerment Board HUB Zone Conference in February 2000. This award is estimated to exceed \$4 million over the term of the contract. We want to congratulate and applaud the efforts of the Washington, D.C. staff for their proactive approach to supporting this program. **Joan** VanMiddlesworth, the supervisory contracting officer and Small Business Specialist, challenged the staff to research incumbent contractors and firms known to have marketed their facility recently. The staff accessed the HUB Zone site on SBA's web page (http://www.sba.gov/hubzone/) and entered addresses of their vendors. Battles Transportation was identified as doing business in a designated HUB Zone. The staff contacted Mr. Battles, provided him with information about the program and encouraged him to submit application to SBA for program eligibility. Even more importantly, they followed through with Mr. Battles at a later date to check on the status of his application. While the application was being processed, the staff worked with VA officials at the facility to educate them about the benefits of the HUB Program and its potential impact on the local community. With everyone onboard, the beneficiary transportation requirement was released as a HUB Zone set-aside. This is outstanding small business program support. Thank you Joan, Hazel France, and Phyllis Jackson.

First quarter data for other HUB actions is not yet available from the Federal Procurement Data System and will be reported in a future article.

FY 2000 HUB Program Action Plan

As a large agency with a number of smaller dollar value actions, we believe VA is in a position to take a leadership role among Federal agencies in our support for this program. Some actions underway and planned include:

FPDS Reporting: Unlike FY 1999, you may now report HUB data as part of your routine FPDS entries. We believe this will permit us to capture a much larger percentage of dollars and actions since you will not have to remember to file a separate manual report.

Change the purchase card reporting format so that you can enter HUB Zone data in your manual reports.

Develop an action plan with the Small Business Administration to improve HUB Zone program performance. This initiative is already underway. We've had an initial meeting, drafted a proposed plan and will meet again before the end of the month. Once finalized, we will share the model with other participating Federal agencies.

Who are the HUB Zone Firms?

In Fiscal Year 2000, VA has a 1.5% goal of our total procurement dollars

in prime contract awards to be spent with HUB Zone certified concerns. Using a very rough estimate of a total procurement figure of \$4 Billion, our target is approximately \$60 Million for the agency. To reach this, we must be confident that businesses in the HUB Program provide products and services in our business lines and that these businesses are ready to perform as prime contractors for us.

On March 15, we queried SBA's Pro-Net vendor database (http://www.pro-net.sba.gov) to learn more about these firms. Here's what we found:

<u>924 firms</u> have been certified. Some firms may have multiple entries. They include:

436 providing services

304 in construction

126 in Research and Development

207 in Products

We searched for firms that help contracting officers meet multiple goal categories. We found:

206 are certified as HUB-8(a) eligible firms

282 are SDB certified HUB firms

210 are women-owned HUB firms

170 are veteran-owned HUB firms

88 are Native American HUB firms

18 are service-disabled veteranowned HUB firms

We searched by Standard Industrial Classification Code Major 2-Digit Groups. Some firms offer multiple SICs. Detailed findings for all SIC groups will be posted on our web page. The most well-populated SICs are:

<u>SIC 87</u>, Engineering Services (including architect-engineers) - 316 firms

SIC 73, Business Services - 300 firms

SIC 17, Special Trade Construction - 282 firms

SIC 15, General Construction - 233 firms

SIC 16, Heavy Construction - 187

What do we do next?

Learn how to use best use the HUB companies offering services and products in our business lines. Some firms may be ready to work for VA as subcontractors. Others will qualify as prime contractors. We will research their capabilities, provide the companies with information about VA and feedback information to VA facilities close to the companies.

Initiate a targeted marketing campaign for FY 2000 construction and design actions - educate VA officials, do specific informational mailings to the HUB firms, etc.

Screen incoming vendor queries and visitors for program eligibility. Obtain lists of incumbents from facilities and match them for program eligibility. Do industry specific market research at the request of individual facilities.

Upcoming Trade Show and Small Business Conferences

Following is a list of upcoming small business and trade show events for the next several months. Our office will be attending some of the conferences and we will be arranging for local participation from the stations. If there are any conferences or trade shows that are held in your area that you usually attend please let us know and we will include it on our conference calendar. You can send an email to ilene.waggoner@mail.va.gov.

OSDBU Directors Procurement Conference

April 11, 2000 Upper Marlboro, MD

Congressman Jim Moran Federal Procurement Conference

April 12, 2000 Arlington, VA, Fort Myers Officers Club

Women's Showcase 2000

April 15, 2000 Fargodome Fargo, SD

California Disabled Veterans Conference

April 19, 2000 Sacramento, CA

Teaming to Win Conference

April 18, 2000 Wheeling, WV

Black Business Investment Days Conference

April 19, 2000 Tallahassee, FL

Chicago Business Opportunity Fair

April 19, 2000 Chicago, IL

Government Procurement Connections 2000

April 25, 2000 Houston, TX

Indiana Business opportunity Fair

April 26, 2000 Indinapolis, IN

March 2000

Partners for Profit

May 3-4, 2000 Milwaukee, WI

Virginia Business Opportunity Fair Contact 2000

May 8-10, 2000 Richmond, VA

Northwest Indian Veterans Outreach

May 8-10, 2000 Pendleton, OR

NetOp 2000

May 9, 2000 Virginia Beach, VA

Delaware Government Marketing Assistance Program

May 1, 2000 Wilmington, DC

3rd Annual Working Women's 500 Congress

May 10-12, 2000 Washington, DC Greater Philadelphia Business Expo 2000

May 11, 2000 Philadelphia, PA

Michigan MSDC 19th Annual Michigan Minority Conference

May 15-17, 2000 Detroit, MI

Kansas Experience Making Successful Connections Conference

May 16-17, 2000 Kansas City, MO

Great Plains Minority Supplier 2000

May 20, 2000 Omaha, NE

Congressman Ike Skelton's Procurement Conference

June 1, 2000 Warrensburg, MO

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Federal Healthcare Acquisition Conference

June 6-8, 2000 Orlando, FL

Oklahoma 22nd Annual OMSDC Bus. Opportunities Fair

June 7-8, 2000 Tulsa, OK

Access 2000 Dallas

June 12-13, 2000 Dallas, TX

Small Business Week

June 12-14, 2000 Washington, DC

15th Annual Minority Business Opportunity Fair

June 13, 2000 St. Louis, MO

Business Connections 2000

June 20-22, 2000 Birmingham, AL

VA Women's Veteran Center Conference

June 23-24, 2000 Washington, DC

Ohio Business Opportunity Fair

June 26-28, 2000 Columbus, OH

MBE Opportunity Fair

June 29-July 1, 2000 Ft. Lauderdale, FL

Carolinas MSDC Annual Business Opportunity Conference

July 12-15, 2000 Lake Buena Vista, FL

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